



Appropriations Update

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U.S. House of Representatives
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FISCAL YEAR 2004 INTERIOR APPROPRIATIONS BILL Conference Report

SUMMARY

The conference report accompanying the Interior appropriations bill (H.R. 2691; H.Rept. 108-330) exceeds by \$30 million the most recent 302(b) suballocation issued by the full Appropriations Committee for the Interior subcommittee. Consequently, the conference report would violate the Congressional Budget Act, and a point of order would lie against consideration of the measure.

As is customary with conference reports, however, this appropriations measure will be taken up under a rule that waives all points of order against the measure itself and its consideration.

The conference report provides \$19.657 billion in nonemergency budget authority [BA] and \$19.424 billion in nonemergency outlays for fiscal year 2004, which began on 1 October 2003.

The measure also provides \$400 million in fiscal year 2004 emergency appropriations for wildland firefighting. Those funds were requested by the President on 16 October 2003 to replenish accounts from which funds were transferred in fiscal year 2003. Emergency-designated spending is not considered in determining whether a measure complies with the budget resolution.

COST OF THE LEGISLATION

The conference report provides a total of \$20.057 billion in emergency and nonemergency budget authority.

As noted, the conference report provides \$19.657 billion in new non-emergency budget authority [BA] and \$19.424 billion in outlays for 2004. Compared with fiscal year 2003, it increases nonemergency BA by \$194 million, and outlays by \$1.091 billion (see Table 1 on the next page). BA increases by 1 percent from the previous year, and is \$102 million above the President's request. The measure also includes \$400 million in emergency-designated BA, and \$67 million in related outlays, for wildland firefighting.

With enactment of this conference report, new budget authority (including emergency-designated BA) for the

Interior bill will have increased an average of 6.9 percent a year in the 2000-04 period.

The conference report contains \$390 million in BA savings. The savings include \$54 million in BA, with \$26 million in related outlays, from changes in mandatory spending; \$109 million in rescissions of previously enacted BA, with \$1 million in related outlays; \$97 million in a program deferral; and \$130 million in across-the-board reductions of BA and \$86 million in related outlays.

The conference report also provides \$36 million in budget authority and outlays for advance appropriations for fiscal year 2005. This advance appropriation is included on the list of programs eligible to receive them.

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This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and may not reflect the views of all the committee's members.

COMPLIANCE WITH THE BUDGET RESOLUTION

Excluding emergencies, the \$19.657 billion in fiscal year 2004 budget authority in this conference report exceeds, by \$30 million, the 302(b) allocation to the Appropriations Subcommittee on Interior and Related Agencies. The conference report therefore does not comply with section 302(f) of the Congressional Budget Act, which prohibits consideration of appropriations bills exceeding the respective subcommittee's allocation. The point of order has been waived with adoption of the rule for consideration of this conference report. Because other spending measures assumed in the budget resolution have not yet been enacted,

the conference report complies with section 311(a) of the Budget Act, which prohibits consideration of bills exceeding the total levels of budget authority and outlays established in the budget resolution.

The measure provides \$36 million in fiscal year 2005 BA for the Elk Hills School Lands Fund. This advance appropriation is included on the list of programs eligible to receive them, so is exempt from the prohibition on advance appropriations in section 501 of the Concurrent Resolution on the Budget for Fiscal Year 2004 (H.Con.Res. 95).

Table 1: Interior Appropriations Bill
(fiscal years; millions of dollars)

	2003 Spending ^a	Administration 2004 ^b	302 (b) for 2004	Bill ^b
Budget Authority	19,463	19,555	19,627	19,657
Outlays	18,333	19,268	19,400	19,424

^a Does not include \$333 million in BA and \$74 million in outlays included in the fiscal year 2003 supplementals.

^b Does not include \$400 million in emergency-designated BA and \$67 million in outlays for wildland firefighting.

Table 2: Discretionary Spending in the Interior Appropriations Bill
(in millions of dollars)

	2003 Budget Authority ^a	2003 Outlays ^a	2004 Budget Authority	2004 Outlays	Difference BA	Difference Outlays
Interior	9,565	9,069	9,791	9,732	226	663
<i>Bureau of Land Management</i>	2,075	1,915	2,021	2,031	-54	116
<i>U.S. Fish and Wildlife</i>	1,249	1,161	1,321	1,231	72	70
<i>National Park Service</i>	2,232	2,192	2,284	2,319	52	127
<i>Bureau of Indian Affairs</i>	2,266	2,103	2,335	2,305	69	202
<i>Other Interior</i>	1,743	1,698	1,830	1,846	87	148
Agriculture - Forest Service	4,575	3,631	4,547	4,316	-28	685
Energy	1,781	1,730	1,787	1,852	6	122
HHS - Indian Health Services	2,850	2,856	2,958	2,932	108	76
Other	1,016	1,047	1,104	1,068	88	21
Across-the-Board Reduction			-130	-86	-130	-86
Total	19,787	18,333	20,057	19,814	270	1,481

^a Does not include \$9 million in BA and \$7 million in outlays included in the fiscal year 2003 Iraq conflict supplemental (Public Law 108-11).

DISCUSSION

The bill provides BA that is \$270 million higher than 2003 spending (see Table 2 above).

Compared to 2003, total spending for the Department of Interior increases by a net \$226 million. Increases include

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the Bureau of Indian Affairs (\$69 million); the U.S. Fish and Wildlife Service (\$72 million); the National Park Service (\$52 million) and other Interior activities (\$87 million). These increases are offset by a \$54-million reduction in the Bureau of Land Management [BLM]; this net reduction results largely from a combination of decreases in wildland firefighting (\$82 million) and land acquisition (\$14 million), and increases in management of land and resources (\$29 million) and payments-in-lieu of taxes (\$9 million).

Spending for the Forest Service decreases by a net of \$28 million. Reductions largely are made in land acquisition (\$84 million), capital improvement and maintenance (\$117 million), State and private forestry (\$55 million), the National Forest System (\$32 million), and working capital (\$30 million). These reductions are partly offset by an increase in wildland fire management (\$291 million).

Overall, wildland fire management accounts in the BLM and Forest Service are \$209 million above fiscal year 2003. This results from a \$128-million increase in regular

appropriations, and an \$81-million increase in emergency-designated funding.

Spending for the Department of Energy's Energy Programs increases by \$6 million; the Department of Health and Human Services' Indian Health Services spending increases by \$108 million. Other spending rises by \$88 million due to increases for the Smithsonian Institution (\$68 million), the National Endowment for the Humanities (\$12 million), the National Endowment for the Arts (\$7 million), and other activities (\$1 million).

Relative to the President's request of \$19.955 billion in total appropriations, the bill increases BA by a net of \$102 million. These increases above the request appear in the Forest Service (\$186 million, largely due to a \$102-million increase in wildland fire management), Indian Health Services (\$69 million), and other activities (\$27 million). These are offset by reductions in the Departments of Energy (\$40 million) and the Interior (\$10 million), and the across-the-board reduction (\$130 million).

OFFSETS

Changes in Mandatory Programs. The bill contains changes to three mandatory programs – programs not subject to annual appropriations – that generate savings to offset discretionary spending. The measure reduces a mandatory National Park Service land acquisition account by \$30 million in budget authority, with no related outlays; and limits mandatory spending for the Compact of Free Association, which reduces BA and outlays by \$26 million. In addition, it provides a permanent appropriation for the Forest Service of \$2 million in BA and outlays.

Rescissions. The bill rescinds \$88 million of previously enacted BA from the Department of Energy's clean coal

program, and \$21 million from Department of the Interior programs, principally its working capital fund (\$20 million). Outlay savings from these rescissions total only \$1 million.

Deferral. The bill defers \$97 million in BA for the Department of Energy's clean coal technology program. The deferral moves the availability of those funds – which will not be required for obligation in fiscal year 2004 – into fiscal year 2005.

Across-the-Board Reduction. The bill includes a 0.646 percent across-the-board reduction against all accounts, reducing BA by \$130 million and outlays by \$86 million.